



CONGRESSMAN HENRY A. WAXMAN NEWS

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Waxman Opposes Administration Proposals for Further Cuts in Medicaid and Medicare

Congressman Henry Waxman, Chairman of the Subcommittee on Health and the Environment, expressed his concern today over the reports that further large cuts in the Medicaid and Medicare programs are now under consideration by the Administration.

"Medicaid is a program for the very poorest", he said. "It has already been cut by nearly \$1 billion in this year's budget. The proposals for further massive cuts are callous and unjustified."

Waxman expressed particular concern about the proposal to limit Federal spending for the long-term nursing home care portion of Medicaid. "This is just another variation of the Administration's attempt to cap the Medicaid program," he said. "That idea was soundly rejected by the Congress." Waxman noted that the proposal to limit Federal payments for Medicaid nursing home care simply shifts the burden of the increasing costs to the States, and does nothing to deal with the underlying problems causing the cost increases.

He added "Our elderly believed Medicare would provide long-term nursing home care when they needed it, but Medicare does not. The sad truth is that most people in nursing homes soon become poor and have to rely on Medicaid for help. If the Administration has its way, the States won't have enough funds to be able to maintain Medicaid's nursing home program. People will be left helpless, and conditions in nursing homes will deteriorate."

Waxman also expressed opposition to making welfare recipients pay for their basic medical care. He noted that in many parts of the country, welfare families of four are living on less than \$2,000 a year, adding that "they simply don't have the money to pay for part of their hospital or doctor bills. This would keep people from getting the care they need; certainly they would have to give up preventive services, and these are the very services we should be encouraging."

Waxman also indicated that any further proposals for savings in Medicare would have to be examined carefully. He opposed increasing the Medicare premium, noting that Congress had just increased the deductible this year.

In regard to the competition proposals, Waxman was skeptical of reports that \$500 million could be saved immediately from any competition plan for Medicare. "Savings of this magnitude in the short term are not possible unless this Administration intends

to use the competition rhetoric as a disguise for shifting costs to the aging and the disabled," he said.

Waxman expressed his belief that health care programs have already suffered heavy cuts, and that further massive reductions in the Federal health budget were unwise. Waxman, a supporter of hospital cost containment legislation in the last Congress, added that "We all have a responsibility to work together to address the problems of inflation in the health care system. But slashing public programs and asking the poor and the aged and the disabled to pay out of their pockets is not the way to bring health care costs under control."